Comments on Notice of Proposed Rulemaking, FCC 02-8

As an E-rate consultant that has helped in the filing of hundreds of E-rate applications, I believe that the uncertainty of Priority Two funding is one of the biggest short falls of the program.

We urge that the commission enhance the range of applicants that currently receive priority two funding. One way that the Commmission could do this while still being within their rule-making authority is to provide a "lottery" system in which funding awards are made for priority two services.

We believe that a system that enhances the probability of low-need schools receiving funding for Priority Two services would be a significant improvement. We propose a "lottery" system, for Priority Two services only. This system would allow the SLD to rank all of the Priority Two requests. Once all of the requests have been ranked, the SLD would fund the highest ranked requests until funding for Priority Two services run out. This type of system would alleviate the prospect of under funding the applicants at one point in the discount range (as it currently stands for year five, the SLD will only be able to fund 17% of the 90% requests).

Under this lottery system, the chances of getting funded would still be dictated by the applicant's need (free and reduced lunch ratios), but the free and reduced lunch rate would not be completely determinative. The commission could set "probabilities" of funding, higher for high-need applicants, lower for those at the bottom of the scale. In this manner, the Commission could make sure that it still provides priority based upon need. Of course, high-need applicants would still have the best chance of receiving funding, but low-need applicant might have a shot at receiving some of the funding. It has been our experience that applicant's are becoming less and less interested in the program due to their low-need status.

Thank you,

Chris Webber
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